

RECEIVED

JUL 17 2003

Bill Thomas, M.C.
Washington, DC

RECEIVED
COMMITTEE ON
WAYS AND MEANS
2003 JUL 18 AM 10:46
Peter Look
Vice President - Tax
and Treasury

Visteon Corporation.
Technical Center - Dearborn
Suite B116
Dearborn, MI 48120
Tel 313-755-7544
Fax 313-755-0354
plook@visteon.com

July 2, 2003

The Honorable Bill Thomas
Chairman
Committee on Ways and Means
United States House of Representatives
2208 Rayburn House Office Building
Washington, DC 20515

1296



See the possibilities™

Dear Chairman Thomas,

We applaud your efforts to introduce international tax reform legislation to promote U.S. jobs and economic growth.

Visteon Corporation is the second largest U.S.-based automotive supplier in the world, with \$18 billion in annual sales and operations in over 25 countries. We employ over 70,000 people worldwide with over 35,000 workers in the U.S. in 14 states. We also invest over \$1.5 billion annually in R&D, equipment and tooling to improve our competitiveness in the marketplace.

The "Overall Domestic Loss Recharacterization" provision is the single most important provision to Visteon. This provision is a domestic competitive policy issue since the current tax rule has the impact of penalizing U.S.-based multinationals over foreign-based multinationals doing business in the U.S. The tax benefit of U.S. losses are denied to U.S. companies with excess foreign tax credits, while foreign-based multinationals are able to retain the benefit of U.S. losses to reduce future U.S. tax liability. U.S.-based multinationals in cyclical industries are most vulnerable to such tax inequalities during an economic downturn because of the need for cash to invest in maintaining its competitiveness.

We look forward to supporting legislation that includes "Overall Domestic Loss Recharacterization" and applaud your ongoing efforts to promote meaningful international tax reform.

Sincerely,

Peter Look

